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7
8 THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 IN AND FOR THE COUNTY OF SACRAMENTO
10
11

12 FAIR POLITICAL PRACTICES
13 COMMISSION, a state agency,

14 Plaintiff,

15 v.

16 AFL-CIO COMMITTEE ON POLITICAL
17 EDUCATION - TREASURY ACCOUNT and
RICHARD L. TRUMKA, TREASURER,

18 Defendants.

Case No.

02A#01720

(FPPC No. 01/394)

STIPULATION FOR ENTRY OF
JUDGMENT

(In Favor Of Plaintiff Against Defendants
AFL-CIO Committee On Political Education
- Treasury Account And Richard L. Trumka,
Treasurer)

LIMITED CIVIL ACTION
[Amount Demanded Exceeds \$10,000]

19
20 Plaintiff, FAIR POLITICAL PRACTICES COMMISSION, a state agency, by its attorneys, and
21 Defendants AFL-CIO COMMITTEE ON POLITICAL EDUCATION - TREASURY ACCOUNT, and
22 RICHARD L. TRUMKA, TREASURER, enter into this Stipulation for Entry of Judgment to resolve all
23 factual and legal issues pertaining to the complaint for civil penalties filed herewith.

24 It is stipulated by and between the parties as follows:

25 The complaint on file in this action was properly filed and served on Defendants AFL-CIO
26 Committee on Political Education, Treasury Account and Richard L. Trumka, Treasurer.

27 Jurisdiction of the subject matter and parties to this action, and venue are properly before the
28 Superior Court of the State of California, in and for the County of Sacramento. The complaint states one

1 cause of action against Defendants AFL-CIO Committee on Political Education - Treasury Account and
2 Richard L. Trumka, Treasurer, and any defects in the complaint are expressly waived.

3 The Court will enter judgment in this action, pursuant to the Stipulation, on request of Plaintiff,
4 Fair Political Practices Commission, without notice to Defendants AFL-CIO Committee on Political
5 Education, Treasury Account and Richard L. Trumka, Treasurer.

6 The Fair Political Practices Commission and Defendants AFL-CIO Committee on Political
7 Education - Treasury Account and Richard L. Trumka, Treasurer, agree to enter into this Stipulation to
8 resolve all factual and legal issues raised in this matter, and to reach a final disposition with respect to
9 these Defendants, without the necessity of holding a civil trial to determine their liability.

10 Defendants AFL-CIO Committee on Political Education - Treasury Account and Richard L.
11 Trumka, Treasurer, understand and hereby knowingly and voluntarily waive any and all procedural
12 rights that they could have exercised if this Stipulation had not been entered into, including, but not
13 limited to, their right to civil discovery, to appear personally at any civil trial held in this matter, to
14 confront and cross-examine witnesses, and to have the trial presided over by an impartial judge, and
15 heard and decided by a jury.

16 **ENTRY OF JUDGMENT**

17 For the violations of the Political Reform Act admitted herein, Plaintiff Fair Political Practices
18 Commission and Defendants AFL-CIO Committee on Political Education - Treasury Account and
19 Richard L. Trumka, Treasurer, stipulate that a final judgment be issued and entered in the form of the
20 order attached hereto and made a part hereof as Exhibit "A," against Defendants AFL-CIO Committee
21 on Political Education - Treasury Account and Richard L. Trumka, Treasurer, and in favor of Plaintiff
22 Fair Political Practices Commission, for a monetary penalty of twenty-two thousand dollars (\$22,000).

23 All payments shall be made to the "General Fund of the State of California." All parties shall
24 bear their own attorney's fees and costs.

25 On or before February 22, 2002, Defendants AFL-CIO Committee on Political Education -
26 Treasury Account and Richard L. Trumka, Treasurer, paid the above-described sum of twenty-two
27 thousand dollars (\$22,000) to Plaintiff in the form of a cashier's check payable to the "General Fund of
28 the State of California."

1 The final judgment may be signed by any judge of the Superior Court of the State of California,
2 in and for the County of Sacramento, and entered by any clerk upon application of any party without
3 notice.

4 **STIPULATED STATEMENT OF LAW AND FACTS**

5 1. **THE PARTIES AND BACKGROUND INFORMATION.**

6 Plaintiff, Fair Political Practices Commission (the “Commission”), is a state agency created by
7 the Political Reform Act of 1974 (the “Act”). The Commission has the primary responsibility for the
8 impartial, effective administration and implementation of the Act. (Gov. Code, § 83111.) Pursuant to
9 Government Code section 91001, subdivision (b), the Commission is the civil prosecutor for matters
10 involving state election campaigns, and is authorized to maintain this action under Government Code
11 sections 91001, subdivision (b), 91004, and 91005.

12 Defendant, AFL-CIO Committee On Political Education, Treasury Account, was at all relevant
13 times a state general purpose recipient committee, as defined in Government Code sections 82013,
14 subdivision (a) and 82027.5.

15 Defendant, Richard L. Trumka, Treasurer, was, at all relevant times, the treasurer of AFL-CIO
16 Committee On Political Education – Treasury Account.

17 2. **SUMMARY OF THE CAMPAIGN DISCLOSURE LAW**

18 Government Code section 81002, subdivision (a) provides that one of the purposes of the Act is
19 to ensure that receipts and expenditures in election campaigns are fully and truthfully disclosed, so that
20 voters may be fully informed and improper practices may be inhibited.

21 In furtherance of the Act's purpose of ensuring campaign disclosure, the Act provides for a
22 comprehensive scheme of campaign reporting requirements. (Gov. Code, § 84200, *et seq.*)

23 Pursuant to Government Code section 84200.5, subdivision (d), a state general purpose recipient
24 committee must file pre-election statements in accordance with Government Code section 84200.7, in
25 any even-numbered year in which the statewide direct Primary Election is held on the first Tuesday after
26 the first Monday in June, and if the committee has made contributions or independent expenditures
27 totaling five hundred dollars (\$500) or more during the period covered by the pre-election statement.
28 (Gov. Code, §84200.5, subd. (d).)

1 Government Code section 84200.7, subdivision (a), specifies that for an election held in June of
2 an even-numbered year, a first pre-election statement shall be filed no later than March 22, for the
3 reporting period ending March 17, and a second pre-election statement shall be filed no later than the
4 12th day before the election for the period ending on the 17th day before the election. In California, there
5 was a statewide direct Primary Election on June 2, 1998. For the June 2, 1998 Primary Election, the
6 second pre-election reporting period covered January 1, 1998 through May 16, 1998, and the second
7 pre-election statement, disclosing campaign activity during that period, was required to be filed by May
8 21, 1998.

9 Government Code section 84215, subdivision (a), specifies that state general purpose committees
10 must file the original and one copy of all required campaign statements with the Secretary of State, two
11 copies with the Registrar-Recorder of Los Angeles County, and two copies with the Registrar of Voters
12 of the City and County of San Francisco.

13 3. CIVIL ENFORCEMENT PROVISIONS

14 Pursuant to Government Code sections 84100 and 84104, subdivision (b), and California Code
15 of Regulations, title 2, section 18427, subdivision (a), it is the duty of a committee's treasurer to ensure
16 compliance with all of the requirements of the Act concerning the receipt, expenditure, and reporting of
17 campaign funds. A committee's treasurer may be held jointly and severally liable, along with the
18 committee, for any reporting violations committed by the committee. (Gov. Code, § 91006.)

19 Pursuant to Government Code section 91004, any person who intentionally or negligently
20 violates any of the reporting requirements of the Act shall be liable in a civil action for an amount not
21 more than the amount or value not properly reported. Persons that violate Government Code sections
22 84211 and 84203 are liable in a civil action pursuant to Government Code section 91004.

23 **SUMMARY OF THE FACTS**

24 On March 19, 1998, Defendants made a contribution of \$1,000,000 to the Californians to Protect
25 Employee Rights' Committee, to oppose Proposition 226, a measure on the June 2, 1998 Primary
26 Election ballot. Defendants made additional contributions of \$1,981,000 to the same committee
27 between April 1, 1998 and May 8, 1998. On or about May 11, 1998, Defendants also received a
28 contribution of \$100,000. As provided in Government Code section 84211, subdivisions (b), (i), and

(k), Defendants were required to report that they had received contributions, and that they had made contributions to the Californians to Protect Employee Rights' Committee, on the second pre-election statement that was due by May 21, 1998. In total, Defendants failed to properly report, in all required locations, their receipt of contributions totaling \$100,000, and their expenditures totaling \$2,981,000.

Defendants did not file a second pre-election campaign statement for the period January 1, 1998 through May 17, 1998, with the Secretary of State's Office or with the Registrar of Voters of the City and County of San Francisco, in violation of Government Code sections 84200.5, subdivision (d), and 84200.7, subdivision (c). However, Respondent's filed a second pre-election statement for the period January 1, 1998 through May 17, 1998, with the Registrar-Recorder of Los Angeles County.

CONCLUSION

Judgment shall be entered against Defendants AFL-CIO Committee on Political Education - Treasury Account and Richard L. Trumka, Treasurer, and in favor of Plaintiff, Fair Political Practices Commission, in the total amount of twenty-two thousand dollars (\$22,000).

IT IS SO STIPULATED:

Dated: February 28th, 2002

By: Mark Krause
Mark Krause, Executive Director
Plaintiff, Fair Political Practices Commission

Dated: February 21, 2002

By: Michelle L. Bigelow
Michelle L. Bigelow
Commission Counsel
Attorney for Plaintiff
Fair Political Practices Commission

Dated: February 26, 2002

By: Lamorne E. Gold
AFL-CIO Committee on Political
Education - Treasury Account
Defendant

Dated: February 26, 2002

By: Richard L. Trumka
Richard L. Trumka, Treasurer
Defendant